Testimony of

David C. Tryon, Esq. Nominee Chief Counsel for Advocacy U.S. Small Business Administration

Before the Senate Small Business and Entrepreneurship Committee

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Small Business Committee Hearing Room

<u>David C. Tryon, Esq.</u> <u>Nominee for Chief Counsel</u> <u>Office of Advocacy, U.S. Small Business Administration</u>

Good afternoon, Chairman Risch, Ranking Member Cardin and members of the Committee:

Thank you for the opportunity to appear before you today. I would like to introduce my wife Sandy and my daughter Lindsay and thank them for being with me today and for their support during the nomination process. I am honored to receive your consideration to serve as Chief Counsel for Advocacy of the Small Business Administration. I want to thank Chairman Chabot for his kind introduction. I also want to thank President Trump for the trust and confidence he has placed in me with this nomination. I have had the privilege of meeting with many of you or your staff. I hope that I will have the opportunity to work with you in the future.

About 15 months ago I was home alone and looking at my Dad's picture and his veteran's flag given to me about a year earlier at his graveside. As I thought back on his life, I thought about his patriotic service during WWII. I thought about the fact that he had encouraged me to go to law school and I was reminded of my commitment to him to use my law degree to help others. I said to his picture, "Dad, I have not done what I came here to do." That day I decided to do more in public service to honor my Dad. So, when I received a call from the White House and was asked if I would be interested in serving as Chief Counsel for Advocacy, I immediately said yes.

I have personally experienced some of the struggles that small entities represented by the Office of Advocacy encounter. For ten years, as part of my church volunteer work, I helped manage a small not-for-profit apple and strawberry farm with one full time manager. We harvested about 500,000 pounds of apples and up to 80,000 pounds of strawberries every year. The fruit was used to feed the poor and needy. I, along with two others, was in charge of farm oversight, which included recruiting over 30,000 hours of volunteer time every year and training these volunteers on safety and government regulation compliance. I know from first-hand experience the challenges of small farmers.

I am also familiar with small government entities, which are within the jurisdiction of Advocacy. As school board president, I learned the impact of state and federal regulations on the school district. It was often difficult to understand these regulatory requirements and it was unclear if they were mandatory and what the consequences were if we failed to comply. These mandates often imposed additional costs, which sometimes forced the school board to cut back on other important programs. During my tenure, the State and the Federal regulators never sought input from us on these issues.

Many of my relatives have owned small businesses. My sister Carol was a realtor and she and her husband Kim owned and ran a Ford dealership, another brother-in-law Rusty had a home repair and remodeling business, and even my daughter Lindsay started a small business. I have experienced with them their respective challenges.

As a mother and a realtor, Carol struggled to balance raising two daughters and running her business. At the same time, she and her husband Kim owned and ran their small Ford dealership

in New Mexico. Both of these businesses are heavily regulated. Periodically they would talk to me about some of their challenges – financing, employee relations, customer and client relations, and legal and regulatory issues. I saw them work hard to take care of their customers and clients and make a reasonable profit to take care of their family. It was not easy.

Rusty's home repair and remodeling business thrived for several years. It had its ups and downs and constant challenges. He also had to deal with local, state and federal laws and regulations with no legal training and no legal department. From time to time he discussed these challenges with me and occasionally sought my personal and professional advice.

When Lindsay was a young teenager, I helped her start a new business making and selling architectural alphabet framed prints. She photographed neat architectural features that looked like letters and framed them in a way that spelled names. She quickly learned some of the obstacles to a small business such as intellectual property laws, sales tax issues, licensing issues, marketing challenges, etc. In the end, the business did not go very far, but it was fun for her while it lasted. From this Lindsay and I learned the reality of how hard it can be to start a business from scratch.

From these and other personal experiences, I have learned some of the struggles which small entities face every day.

I am a member of the Ohio Advisory Committee to the United States Civil Rights Commission. In 2014 and 2015, we issued a report titled "Civil Rights Issues Regarding Barriers to Entrepreneurship in Ohio." We learned from minority-owned small businesses of the struggles they face, especially with respect to access to capital and government regulations.

In my 32 year legal career I have advocated on behalf of business clients and individuals. My most rewarding experiences were representing small businesses such as a locksmith with one employee, a masonry company with 30 employees, a small electrical contractor, a small export company, an independent sales representative and a bank services entrepreneur. I have also filed with the Ohio Supreme Court "Friend of the Court" briefs on behalf of the National Federation of Independent Businesses and I have provided free representation to other small, non-profit organizations. Sometimes my representation involved disputes with other entities and other times it involved addressing government rules, regulations, permits or programs. Always, they involved the trials and tribulations of a small business that needed help.

If I am honored to be confirmed as the Chief Counsel for Advocacy, I will take the lessons I have learned over the past 32 years and apply them to advocating for all small businesses. I will zealously advocate for veteran-owned, minority-owned and women-owned small businesses. I will collaborate with this committee, the SBA and other organizations and government agencies to help American small businesses thrive and prosper.

Thank you for your time. I look forward to answering your questions.

David C. Tryon